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October 15, 1998

Via Facsimile and First Class Mail

Tamara K. Kapper, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 4806

Dear Ms. Kapper:

I am writing to follow up our discussion about the response of our client, DNC Services Corporation/Democratic National Committee (the "DNC") to the Subpoena to Produce Documents served on the DNC on September 17, 1998 in the above-referenced MUR.

As I explained to you on the telephone, it will not be possible for the DNC to comply with this Subpoena within thirty days of the date of service. The DNC has received more than 55 subpoenas, plus dozens of voluntary requests, from federal grand juries, the Department of Justice, congressional committees and subcommittees, and the FEC itself, in several other MURs, all prior to service of the Subpoena in this MUR. The DNC is still in the process of responding to most of these subpoenas. The DNC estimates that it has spent more than \$6 million on document search and production efforts already, exclusive of legal fees and the costs of disruption of its day-to-day operations.

In an effort to provide the Commission with documents relevant to this investigation within a reasonable period of time, the DNC would propose the following plan to search for and locate documents responsive to the Subpoena:

A. The DNC proposes to search for the following categories of documents:

- (1) Items one through 5 of the Subpoena;
- (2) A representative sample of materials provided to prospective contributors in 1996 regarding the DNC's Trustee donor council.

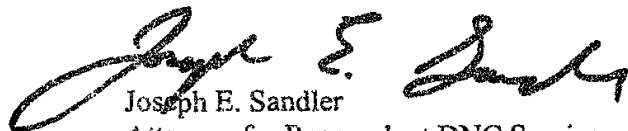
B. The DNC proposes to search the following sources for these documents:

- (1) Files relating to the subject contribution from the DNC's review of prior contributions conducted with the assistance of Ernst & Young, except for documents subject to the attorney-work product doctrine.
- (2) Search of the computer network spaces of current and former DNC officers and employees.
- (3) Finance Division archived paper files, on a targeted basis, to the extent feasible.

We would be prepared to begin this search immediately; to begin producing documents within two weeks; and to complete this search plan within a month.

Please let me know whether the approach outlined above would be acceptable to OGC. Thank you for your time and attention to this matter.

Sincerely yours,



Joseph E. Sandler
Attorney for Respondent DNC Services
Corporation/Democratic National
Committee and Carol Pensky, as Treasurer